

CRANSTON SCHOOL COMMITTEE

PUBLIC WORK SESSION

NOVEMBER 16, 2011

WILLIAM A. BRIGGS BUILDING (REED CONFERENCE ROOM)

845 PARK AVENUE

EXECUTIVE SESSION 5:00 P.M.

**PUBLIC WORK SESSION IMMEDIATELY FOLLOWING EXECUTIVE
SESSION**

PUBLIC SESSION IMMEDIATELY FOLLOWING WORK SESSION

MINUTES

This meeting of the Cranston School Committee was held on the above date with the following members present: Chairperson Iannazzi, Mrs. McFarland, Mrs. Culhane and Mrs. Ruggieri.

This meeting was called to order at 5:07 p.m. It was moved by Mrs. McFarland and seconded by Mrs. Ruggieri and unanimously carried that the members convene to Executive Session pursuant to RI State Laws PL 42-46-5(a)(1) Personnel, PL 42-46-5(a)(2) Collective Bargaining and Litigation;

(Longevity/Former CAMS Group),(Contract Negotiations' Update – Custodians), (Consideration of legal options regarding status of aid to education appropriation and legal advice relating to same). All were in favor.

Roll Call - The roll was called; a quorum was present.

Call to Order – Public Work Session was called to order at 6:00 p.m. with the following members present: Chairperson Iannazzi, Mrs. Ruggieri, Mr. Lombardi, Mrs. McFarland, Mrs. Culhane, Mr. Traficante and Mr. Bloom. No votes were taken in Executive Session.

1. Public Work Session:

a. Monthly Review of Year to Date Expenditures

Mr. Balducci presented the Year-To-Date Expenditures for 2011-2012 to the board. (Copy on file in the Superintendent's Office).

Mr. Balducci stated – this looks a little different than it did last month because I've added the revenue side to the ledger for the month of October which I did not report out in September. If you go to the executive summary I highlighted every single revenue line and gave a description on where we stand through the month of October. As an example, if you look at State Aid; just so you know the way the state aid works through all school districts is the city receives it on our behalf on the last day of the month. I am then notified by the first week of the following month by the City Finance Office. So from my end I am always booking the revenue a month forward so I am never on sync. I know what the number is because I receive the schedule so before I close the books at the end of the month I am going to book an accounts receivable or due from the state as revenue and then the following month just reverse it. So it will be a common transaction that I will handle internally. Same thing with the City Appropriation. Those two major revenue sources will be brought back into the line

cumulative through the given month end. Discussion ensued.

Medicaid Reimbursement Services – Mr. Balducci stated if you go to the revenue page and look at the revenue category you will see \$1.8 million dollars being budgeted but zero collected through the month of October. The reason for this is as everyone knows we transitioned to a third party vendor, PCG, to handle that component of our Medicaid billing. Unfortunately there were some transition issues they ran into, nothing particular to them, unfortunately the state took a while recognizing them as a vendor on our behalf so they could not submit for claims because when the claims submission went to the state they said they don't recognize this company so they would stop it from that point forward so they had to deal with that. That only resolved itself probably within the last month. No money has happened for this fiscal year because part of the transition, our in-house person left before being able to bill all of last year's services. So when PCG came in I explained to them their main focus was to go after last year because part of the issue is you only have a certain period of time to chase after the reimbursements. They will deal with last year; and they've already started to bill the current year activity. Next month you will see some dollars against this years' budget. It won't be significant because they are just beginning the process. We are moving forward toward that \$1.8 million dollars.

Mr. Bloom asked – so this is being recorded on a cash basis; Mr. Balducci responded yes.

Mr. Bloom asked – does PCG have a monthly report on what's been billed and is waiting to be collected?

Mr. Balducci responded, yes because there is usually about a two week lag.

Mr. Bloom asked – could you include that information in here? Mr. Balducci stated he would put that request into them.

Mr. Bloom asked – is it possible to do that to the other two tuitions, the vocational school because you have some enrollment and we should have some idea what those numbers are.

Mr. Balducci stated – at next weeks' school committee meeting you will see a resolution out of my office asking the board to approve this year's tuition rates so we have not begun the billing process yet until that has taken place and then the next day my office will begin the process. I can give in a narrative form, the first semester billing we anticipate to receive x number of dollars even though it hasn't hit the books so to speak because we are posting on a cash receipt basis but at least you would have an idea of anticipated revenue.

Mr. Traficante asked – have you found out why special education has decreased so much?

Mr. Balducci stated – the state of Rhode Island comes out with a special ed rate per pupil that usually most districts will use. If I have a Cranston student that is being placed in Pawtucket because it is a DCYF placement, Pawtucket will go to this statewide list and say I need to bill Cranston x number of dollars because that Cranston student is being educated in Pawtucket public school system. In the past I have also used that statewide list to bill for special ed students from Johnston going to our CAC&TC as an example. When I received this years' listing, every single school district special ed rate went

down almost 50%. I was at \$53,000 and it came in around \$21,000. The state chose to use their math, instead of using student service hours, they just said okay how many special ed students are there in the district. I want to say we have approximately 1,800 students. They took our \$33 million dollars that we spend on special education and then just divided it by 1,800 verses looking at service hours. The rate you see in front of you, next week, I'm using the old method. I am challenging their computations.

Mrs. Nota interjected – at the RIASBO meeting last week Mrs. Dias (from RIDE) stated they tried a new formula and it resulted in chaos around the state with special education directors and business managers so they are looking to redo it and at this point they are requesting that business managers use the old method for budgeting purposes.

Mr. Balducci continued – on the expenditure side, we seem to be on target. Special education – the good news is as of October we are projected to have a surplus of \$426,000. Charter School tuitions – you will notice I am predicting an \$83,000 loss in all charter school tuitions, i.e., CVS Highlander, International Schools. What happened is I billed this years' budget off of last year's enrollment. When I get the bills, unfortunately the enrollment went up and in some cases instead of having 20 students going to the CVS Highlander, I now have 28 students who have chosen to go to that charter school and I have to foot the bill. Also, we have a new school that was authorized, The Nursing Institute. I received a bill for tuition for this school for four students attending that school.

At 7:00 p.m. Mrs. McFarland made a motion to reconvene back to executive session. This was seconded by Mrs. Culhane. All were in favor.

At 7:03 p.m. public session reconvened. A motion to seal the minutes of the executive session was made by Mr. Lombardi and seconded by Mr. Traficante. All were in favor.

A motion to adjourn was made by Mr. Lombardi and seconded by Mr. Traficante. All were in favor. The meeting adjourned at 7:03 p.m.

Respectfully submitted,

Frank S. Lombardi

Clerk